MICHIGAN STATE TRANSPORTATION COMMISSION RESOLUTION 2004-2

Federal Transportation Funding Reauthorization

WHEREAS, the current federal legislation extending the Transportation Equity Act for the 21st Century, known as TEA 21, expires on April 30, 2004; and

WHEREAS, federal funding for transportation provided \$904 million for highway and transit projects in Michigan in 2003 and is critical to the ability of the Michigan Department of Transportation and local agencies to continue to provide adequate transportation infrastructure and service; and

WHEREAS, Michigan has long been a "donor state," contributing a greater share to the Federal Highway Trust Fund and Mass Transit Account than the share of federal transportation funds returned for use in Michigan, and currently receives an 88 percent rate of return on its federal transportation revenues; and

WHEREAS, several different proposals have been or are being considered by Congress for the reauthorization of TEA 21, with funding levels ranging from a low of \$256 billion nationwide for six years to a high of \$375 billion nationwide for six years; and

WHEREAS, the Administration's proposed SAFETEA legislation and the anticipated "scaled back" version of the House TEA LU bill make no provisions to address donor state equity and at the funding levels proposed of \$256 billion and \$275 billion respectively, would not be sufficient for Michigan's transportation needs; and

WHEREAS, the Senate has already acted on reauthorizing legislation, Senate Bill 1072, that would provide \$318 billion for highways and transit systems nationwide over six years and improves Michigan's rate of return to 95 percent over the life of the bill; now therefore be it

RESOLVED that Senate Bill 1072 would provide a significant increase in Michigan's transportation program and improve Michigan's rate of return to 95 percent by the end of the bill; and it be further

RESOLVED that the Michigan Congressional delegation be urged to support reauthorization legislation that provides funding at the \$318 billion level or higher and improves donor state equity to a 95 percent return on all federal funds distributed to the states; and it be further

RESOLVED that the Michigan Congressional delegation be urged not to accept a highway reauthorization proposal that increases funding overall without closing the gap between federal fuel tax dollars paid by Michigan motorists and dollars received to address Michigan's transportation needs.

Adopted by the Michigan State	Transportation	Commission on	March 25, 2004.
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Date	Ted B. Wahby, Chairman